EXECUTION COPY

BOND PURCHASE AGREEMENT

Among

NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY,

COLD SPRING HARBOR LABORATORY

and

J.P. MORGAN SECURITIES INC.

DATED MARCH 31, 1999

$42,200,000

NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY
CIVIC FACILITY REFUNDING AND IMPROVEMENT REVENUE BONDS
(1999 COLD SPRING HARBOR LABORATORY PROJECT)

BOND PURCHASE AGREEMENT, dated March 31, 1999, among the Nassau County Industrial Development Agency (the "Agency"), Cold Spring Harbor Laboratory, a not-for-profit corporation organized and existing under the laws of the State of New York (the "Laboratory"), and J.P. Morgan Securities Inc. (the "Underwriter"), with respect to the sale and purchase of the Agency's Civic Facility Refunding and Improvement Revenue Bonds (1999 Cold Spring Harbor Laboratory Project) in the aggregate principal amount of $42,200,000 (the "Bonds") on the terms and subject to the conditions herein set forth:

1. The Laboratory has previously filed with the Agency its application for the issuance of the Bonds by the Agency, and the Agency has authorized the Bonds by a resolution duly adopted on March 11, 1999 (the "Resolution"). The Bonds will be special obligations of the Agency payable solely out of the revenues or other receipts, funds or moneys pledged therefor, and from any amounts otherwise available to the Trustee for the payment thereof under the Indenture of Trust, dated as of April 1, 1999 (the "Indenture"), by and between the Agency and United States Trust Company of New York, as trustee (the "Trustee").

The Bonds are issued for the purpose of financing a portion of the (i) the refinancing of the 1989 Project through the refunding of the 1989 Bonds, (ii) the refinancing of the 1993 Project through the refunding of the 1993 Bonds, and (iii) the acquisition of an approximately 60,460 square foot building and related 12 acre parcel of property, and the renovation, furnishing and equipping thereof, all for use in research, education and publishing in the biological sciences (the "1999 Project"; together with the 1989 Project and the 1993 Project, the "Project").

Pursuant to a Company Lease Agreement dated as of April 1, 1999 (the "Company Lease") between the Laboratory and the Agency, the Laboratory will lease to the Agency the Facility, such Facility to be so leased, and the equipment to be financed thereat, being collectively referred to as the "Facility". The proceeds of the Bonds will be made available by the Agency to the Laboratory to pay costs of the Project and related costs and expenses pursuant to a Lease Agreement dated as of April 1, 1999 (the "Lease Agreement") to be entered into between the Agency and the Laboratory whereunder the Agency will sublease the Facility to the Laboratory. The Laboratory will be obligated under the Lease Agreement to make lease rental payments which in each case will be sufficient to pay the principal of, Purchase Price, Redemption Price, if applicable, and interest on the Bonds as and when the same shall respectively become due.

Pursuant to the Indenture, the Agency has assigned to the Trustee substantially all of its right, title and interest in and to the Lease Agreement, including all rights to receive lease rental payments sufficient to pay the principal, Purchase Price or Redemption Price, if any, of and interest on the Bonds as the same become due, to be made by the Laboratory pursuant to the Lease Agreement. The payment of the principal, Purchase Price and Redemption Price, if applicable, of and the interest on the Bonds has been unconditionally guaranteed by the Laboratory pursuant to a Guaranty Agreement dated as of April 1, 1999, from the Laboratory to the Trustee (the "Guaranty Agreement").

The Laboratory and the Agency will enter into a Tax Regulatory Agreement with the Trustee to be dated the date of original issuance of the Bonds pursuant to which the Laboratory will agree and covenant that it shall at all times do and perform all acts and things necessary or desirable and within its control in order to assure that interest paid on the Bonds shall not be included in gross income for purposes of Federal income taxation. The Laboratory further will covenant and agree in the Tax Regulatory Agreement that it will never permit the use of the proceeds of the Bonds, nor will it take or omit to take any action that would cause the interest paid on the Bonds to be includable in gross income for purposes of Federal income taxation. The covenants and conditions set forth in the Tax Regulatory Agreement are based upon the Internal Revenue Code of 1986, as amended (the "Code") and regulations thereunder as they exist on the date of issue of the Bonds and the Laboratory acknowledges that the Code or such regulations may be subsequently interpreted or modified by the Federal government in a manner which is inconsistent with the covenants set forth in the Tax Regulatory Agreement. The Laboratory will agree in the Tax Regulatory Agreement that any such subsequent modification or interpretation of the Code or such regulations will be deemed a requirement that must be met pursuant to the general tax covenant set forth in the Tax Regulatory Agreement.

Capitalized terms used in this Bond Purchase Agreement but not defined herein shall have the respective meanings set forth in the Indenture.

2. Subject to the terms and conditions and upon the basis of the representations hereinafter set forth, the Agency hereby agrees to sell the Bonds to the Underwriter and the Underwriter hereby agrees to purchase the Bonds from the Agency at a price equal to $42,031,042.03 (representing the principal amount of the Bonds less an underwriting discount of $168,957.97). The Bonds will be dated the date of issuance and will initially bear interest from the date of issuance at the Daily Rate as determined by J.P. Morgan Securities Inc., as Remarketing Agent. Under certain circumstances, the Bonds may be converted to bear interest at the Fixed Rate.

3. The date of delivery and payment for the Bonds (the "Closing") will be April 1, 1999 (the "Closing Date").

The Agency will deliver the Bonds to the Underwriter on or before 1:00 P.M. on the Closing Date, in definitive or temporary form, duly executed and authenticated against payment therefor by wire transfer or check in federal funds payable to the Trustee for the account of the Agency. The payment for the Bonds to the Agency and the delivery thereof to the Underwriter shall be made at the offices of Hawkins, Delafield & Wood, 67 Wall Street, New York, New York. The Bonds will be delivered in the form and denominations and shall be as otherwise described in the Indenture.

It shall be a condition of the Agency's obligation to sell and deliver the Bonds to the Underwriter and of the obligations of the Underwriter to purchase and accept delivery of the Bonds, that the entire $42,200,000 aggregate principal amount of the Bonds shall be tendered for sale and delivery by the Agency and accepted and paid for by the Underwriter on the Closing Date. The Underwriter agrees to make a bona fide offering of all of the Bonds at not in excess of the initial offering prices, as set forth on the cover page of the Official Statement referred to below.

The Bonds constitute special obligations of the Agency. Neither the State of New York nor Nassau County is or shall be obligated to pay the principal, Purchase Price or Redemption

Price, if applicable, of, or interest on the Bonds, and neither the faith and credit nor the taxing power of the State of New York or Nassau County is pledged to such payment. The Bonds shall not be payable out of any funds of the Agency other than those pledged therefor. The Agency has no taxing power.

4. In the event of the Agency's failure to deliver the Bonds at the Closing, or if the Agency or the Laboratory shall be unable to satisfy the conditions to the obligations of the Underwriter contained herein (unless such conditions are waived by the Underwriter), or if the obligations of the Underwriter shall be terminated for any reason permitted herein, the amount of one percent (1%) of the principal amount of the Bonds payable by the Laboratory (no such payment obligation to exist on the part of the Agency) shall be full liquidated damages for such failure and for any and all defaults hereunder on the part of the Agency and the Laboratory, and such amount shall constitute a full release and discharge of all claims and rights of the Underwriter against the Agency or the Laboratory arising out of the transactions contemplated hereby.

In the event that the Underwriter fails (other than for a reason permitted under this Bond Purchase Agreement) to accept and pay for the Bonds at the Closing, the amount of one percent (1%) of the principal amount of the Bonds shall be full liquidated damages for such failure and for any and all defaults hereunder on the part of the Underwriter, and thereupon all the Agency's or Laboratory's claims and rights hereunder against the Underwriter by reason of such failure shall be fully released and discharged.

5. (a) The Agency and the Laboratory hereby deliver to the Underwriter the Official Statement of the Agency and the Laboratory relating to the Bonds which the Agency and the Laboratory hereby authorize to be dated March 24, 1999. The Official Statement, including the Appendices thereto, and information incorporated therein by reference, is hereinafter called the "Official Statement". Concurrently with the execution of this Bond Purchase Agreement, the Agency and the Laboratory will deliver or cause to be delivered to the Underwriter two (2) copies of the Official Statement of the Agency and the Laboratory relating to the Bonds manually executed by an authorized officer of the Agency and by an authorized officer of the Laboratory. The Agency and the Laboratory hereby authorize the information contained in the Official Statement to be used by the Underwriter in connection with the offering and the sale of the Bonds. The Agency and the Laboratory consent to the distribution and use by the Underwriter of the Official Statement in connection with the offering of the Bonds.

(b) The Agency and the Laboratory agree to deliver to the Underwriter at the sole cost of the Laboratory and at such address as the Underwriter shall specify, as many additional copies of the Official Statement, which the Laboratory represents shall be complete as of the date of its delivery to the Underwriter, as the Underwriter may reasonably request as necessary. The Agency and the Laboratory agree to deliver such Official Statement within seven (7) business days after the execution of this Bond Purchase Agreement. Unless otherwise notified in writing by the Underwriter on or prior to Closing, the Agency and the Laboratory may assume that the "end of the underwriting period" for all purposes of Rule 15C2-12 of the Securities Exchange Commission (the "Rule") is the date of Closing. In the event such notice is given in writing by the Underwriter, the Underwriter shall notify the Agency and the Laboratory in writing following the occurrence of the "end of the underwriting period" for the Bonds as defined in the Rule. The "end of the underwriting period" as used in this Bond Purchase Agreement shall mean the date of Closing or such other date as to which notice is given by the Underwriter in accordance with the preceding sentence.

6. The Agency represents and warrants to the Underwriter and the Laboratory (and it shall be a condition to the obligation of the Underwriter to purchase and accept delivery of the Bonds that the Agency so represent and warrant) that:

(a) The Agency is a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State of New York duly organized and existing under the laws of the State of New York, particularly the Act. The Agency is authorized to issue the Bonds in accordance with the Act, and to use the proceeds thereof for the financing of all or a portion of the costs of the Project.

(b) The Agency has complied with the provisions of the Act and has full power and authority pursuant to law and the Act to act with respect to all transactions contemplated by this Bond Purchase Agreement, the Bonds, the Resolution, the Official Statement, the Letter of Representations to the Depository Trust Company from the Agency (the "DTC Letter") and each of the Security Documents to which the Agency shall be a party, to issue, sell and deliver the Bonds to the Underwriter as provided herein and to carry out and consummate all other transactions contemplated by each of the aforesaid documents.

(c) By the Resolution, duly adopted by the Agency and still in full force and effect, the Agency has duly authorized and approved the Official Statement and has duly authorized the execution and delivery of, and the performance by the Agency of the obligations of the Agency contained in this Bond Purchase Agreement, the Bonds, the DTC Letter and each of the Security Documents to which it shall be a party, and the taking of any and all action as may be required on the part of the Agency to carry out, give effect to and consummate the transactions contemplated on the part of the Agency by this Bond Purchase Agreement and the Official Statement, and all approvals necessary on the part of the Agency in connection with the foregoing have been received.

(d) When delivered to and paid for by the Underwriter in accordance with the terms of this Bond Purchase Agreement, the Bonds will have been duly authorized, issued, executed, authenticated and delivered and will constitute the legal, valid and binding special obligations of the Agency (payable by the Agency solely out of the Trust Estate pledged for the Bonds) and will be entitled to the benefit of the Indenture.

(e) The execution and delivery by the Agency of this Bond Purchase Agreement, the Bonds, the DTC Letter and each of the Security Documents to which the Agency shall be a party, and compliance by the Agency with the provisions thereof, will not conflict with or constitute on the part of the Agency a violation of the Constitution of the State of New York or a violation of, breach of or default under its by-laws or any statute, indenture, mortgage, deed of trust, note agreement or other agreement or instrument to which the Agency is a party or by which the Agency is bound, or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Agency or any of its activities or properties; and all consents, approvals, authorizations and orders of governmental or regulatory authorities which are required of the Agency for the consummation of the transactions contemplated thereby have been obtained.

(f) The Agency will apply the proceeds from the sale of the Bonds for the purposes specified in the Indenture, as in force from time to time.

(g) The Agency makes no representation or warranty concerning the financial position or business condition of the Laboratory or the Liquidity Provider or any other security for the Bonds, nor does it represent or warrant as to the correctness of any statements or representations made or materials furnished by the Laboratory or the Liquidity Provider in connection with the purchase of the Bonds.

(h) At the time of the Agency's acceptance hereof, the information contained in the Official Statement under the heading "The Agency" does not contain any untrue statement of a material fact or omit to state any material fact which should be included therein for the purposes for which the Official Statement is to be used or which is necessary to make the statements therein, in light of the circumstances under which they were made, not misleading or incomplete; and as of the Closing Date, the information contained in the Official Statement under the heading "The Agency" will not contain any untrue statement of a material fact or omit to state any material fact which should be included therein for the purposes for which the Official Statement is to be used or which is necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading or incomplete.

(i) The Agency will (at the sole cost and expense of the Laboratory) furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request to qualify the Bonds for offer and sale under the Blue Sky or other securities laws or regulations of such states and other jurisdictions of the United States as the Underwriter may designate and to provide for the continuance of such qualification; provided, however, that the Agency will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any state.

(j) After the date of the Official Statement and prior to the end of the underwriting period, the Agency will (i) not adopt any amendment of or supplement to the Official Statement to which, after having been furnished with a copy, the Underwriter shall object in writing, and (ii) if at any time prior to the end of the underwriting period, any event relating to or affecting the Official Statement shall occur as a result of which, in the reasonable judgment of the Underwriter, it is necessary to amend or supplement the Official Statement in order to make the Official Statement not misleading in light of the circumstances existing at the time it is delivered to a purchaser, upon the written request of the Underwriter, forthwith prepare and furnish to the Underwriter, at the expense of the Laboratory, a reasonable number of copies of an amendment of or supplement to the Official Statement (in form and substance satisfactory to the Underwriter) which will amend or supplement the Official Statement so that it will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in light of the circumstances existing at the time the Official Statement is delivered to a purchaser, not misleading or incomplete. For the purpose of, and during the period of time provided by this paragraph, the Agency will furnish such information with respect to itself as the Underwriter may from time to time reasonably request.

(k) There is no action, suit, proceeding or investigation at law or in equity by or before any court or public agency by or, to its knowledge, threatened against or affecting the Agency or, to the best of the knowledge of the Agency, any basis therefor, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby, by the Official Statement or by the Indenture, or which in any way, would adversely affect the validity of the Bonds, the Resolution, the Official Statement, this Bond Purchase Agreement and each of the Security Documents to which the Agency shall be a party, or any agreement or instrument to which the Agency is a party and which is used or contemplated for use in consummation of the transactions contemplated hereby, by the Official Statement and by the Indenture, or the exemption from taxation referred to in paragraph 11(i)(2)(vi) of this Bond Purchase Agreement.

(l) The Agency hereby represents that the information contained in the Official Statement, under the heading "The Agency" is deemed final as of the date thereof.

7. The Underwriter represents and warrants to the Agency and the Laboratory (and it shall be a condition to the obligation of the Agency and the Laboratory to perform hereunder that the Underwriter so represent and warrant) that:

(a) The Underwriter is registered under the Securities Exchange Act of 1934, as amended, as a municipal securities dealer, is duly authorized and empowered to execute and deliver this Bond Purchase Agreement and is duly authorized to perform its obligations hereunder. This Bond Purchase Agreement has been duly executed and delivered by the Underwriter and constitutes a valid and binding obligation of the Underwriter and the Underwriter has full authority to take such action as it may deem advisable with respect to all matters pertaining to this Bond Purchase Agreement.

(b) The Underwriter acknowledges that the Bonds shall be special obligations of the Agency, payable by the Agency solely out of the Trust Estate pledged therefor; that the Bonds shall never constitute a debt of the State of New York or Nassau County; that neither the State of New York nor Nassau County shall be liable on the Bonds; that the Agency has no power of taxation; that neither the members, directors, officers, employees or agents of the Agency nor any person executing the Bonds shall be liable personally or be subject to any personal liability or accountability by reason of or in connection with the issuance thereof; that the Agency makes no representation or warranty, express or implied, with respect to the merchantability, condition or workmanship of any part of the Facility or the suitability of the Facility for the purposes or needs of the Laboratory or the extent to which proceeds derived from the sale of the Bonds will be sufficient to pay the Project Costs; and that the Agency does not in any way represent that the insurance required by the Lease Agreement, whether in scope or coverage or limits of coverage, is adequate or sufficient to protect the business or interest of the Laboratory. The Underwriter has not requested nor received any information concerning the Laboratory or the Liquidity Provider from the Agency, and the Underwriter is not relying on the Agency with respect to the financial condition or creditworthiness of the Laboratory or the

Liquidity Provider or of the competency or integrity of the management of the Laboratory or the Liquidity Provider.

(c) In connection with the resale of the Bonds to the public, the Underwriter agrees to take such actions and make such disclosures as may be required by applicable Federal and State laws and applicable rules of any governmental or self-regulatory organization, and to otherwise comply with such laws and rules. Without limiting the generality of the foregoing, the Underwriter assumes responsibility for delivering to each purchaser of the Bonds a copy of the Official Statement, in each case together with any and all amendments, if any, thereto. The Underwriter agrees to file a copy of the Official Statement with the Municipal Securities Rulemaking Board and to advise the Agency as to the location and time of such filing. Except as set forth above, nothing in this paragraph shall impose any responsibility on the Underwriter in addition to that under applicable laws and rules referred to above.

8. The Laboratory represents and warrants to the Agency and the Underwriter (and it shall be a condition to the obligation of the Agency and the Underwriter to perform hereunder that the Laboratory so represent and warrant) that:

(a) The Laboratory is a not-for-profit corporation duly incorporated and validly existing under and by virtue of the laws of the State of New York, is not in violation of any provision of its charter or by-laws, has the corporate power and authority to own its property and assets, to carry on its business as now being conducted by it and to execute, deliver and perform this Bond Purchase Agreement, the Remarketing Agreement between the Laboratory and J.P. Morgan Securities Inc., as Remarketing Agent (the "Remarketing Agreement"), the Standby Bond Purchase Agreement, dated as of April 1, 1999, between the Liquidity Provider and the Laboratory (the "Standby Bond Purchase Agreement") and the Security Documents to which it shall be a party.

(b) The execution, delivery and performance of this Bond Purchase Agreement, the Remarketing Agreement, the Standby Bond Purchase Agreement and the Security Documents to which it shall be a party, and the consummation of the transactions herein contemplated have been duly authorized by all requisite corporate action on the part of the Laboratory and will not violate any provision of law, any order of any court or agency of government, or the charter or by-laws of the Laboratory, or any material indenture, agreement or other instrument to which the Laboratory is a party or by which it or any of its property is bound, or be in conflict with or result in a breach of or constitute (with due notice and/or lapse of time) a default under any such material indenture, agreement or other instrument or result in the imposition of any lien, charge or encumbrance of any nature whatsoever other than Permitted Encumbrances.

(c) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, or before or by any court, public board or body, pending, or to the knowledge of the Laboratory threatened, wherein an unfavorable decision, ruling or finding would, (i) in the opinion of the Laboratory, involve the possibility of any judgment or liability to the extent not covered by insurance which would result in any material adverse change in the business, properties or operations of the Laboratory, (ii) materially adversely affect the transactions contemplated by this Bond Purchase Agreement and the Official Statement or (iii) adversely affect the validity or enforceability of the Bonds, the Indenture, the Remarketing Agreement, the Standby Bond Purchase Agreement, any of the other Security Documents or this Bond Purchase Agreement.

(d) The Laboratory will not take or omit to take any action which action or omission will in any way cause the proceeds from the sale of the Bonds to be applied in a manner contrary to that contemplated by the Indenture and the other Security Documents, as in force from time to time.

(e) The Laboratory is not a party to or bound by any contract, agreement or other instrument, or subject to any judgment, order, writ, injunction, decree, rule or regulation which, in the Laboratory's opinion, materially adversely affects, or in the future may, so far as the Laboratory can now reasonably foresee, materially adversely affect the business, operations, properties, assets or condition, financial or otherwise, of the Laboratory.

(f) Neither this Bond Purchase Agreement nor any other document, certificate or written statement furnished to the Underwriter or the Agency by or on behalf of the Laboratory, contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein and therein, in light of the circumstances in which they were made, not misleading or incomplete.

(g) The Laboratory has not taken and will not take any action and knows of no action that any other person, firm or corporation has taken or intends to take, which would cause interest on the Bonds to be includable in the gross income of the recipients thereof for Federal income tax purposes.

(h) The Security Documents to which the Laboratory shall be a party, the Company Lease, the Lease Agreement, the Remarketing Agreement, the Standby Bond Purchase Agreement and this Bond Purchase Agreement, when executed and delivered and assuming due authorization, execution and delivery by the other parties thereto, will be legal, valid, binding and enforceable obligations of the Laboratory subject to applicable bankruptcy, moratorium or insolvency or other laws affecting creditors' rights generally and general principles of equity.

(i) During the period between the date hereof and the Closing Date, the Laboratory will furnish to the Underwriter promptly upon transmission thereof, copies of all financial statements, reports and returns as it shall send to its board of directors.

(j) The Laboratory has authorized and consented to the use of the Official Statement by the Underwriter. The information with respect to the Laboratory, the Project and the Facility, the intended use of the proceeds of the Bonds, the summary of financial information and the descriptions of the Security Documents and the Standby Bond Purchase Agreement and the Laboratory's participation in the transactions contemplated thereby, are correct and do not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading or incomplete.

(k) There has been no material adverse change in the business, properties, operations or financial condition of the Laboratory from that shown in the Official Statement.

(l) If at any time prior to the end of the underwriting period, the Official Statement would, to the knowledge of the Laboratory, include an untrue statement of a material fact, or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Laboratory shall promptly notify the Underwriter thereof and shall prepare and deliver to the Underwriter at the Laboratory's expense as many copies of an amendment or supplement which will correct such statement or omission as the Underwriter may reasonably request.

(m) The Laboratory is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), exempt from Federal income taxes under Section 501(a) of the Code. There is no pending or, to the knowledge of the Laboratory, threatened change to such status.

(n) The Laboratory will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request to qualify the Bonds for offer and sale under the Blue Sky or other securities laws or regulations of such states and other jurisdictions of the United States as the Underwriter may designate and to provide for the continuance of such qualification; provided, however, that the Laboratory will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any state.

(o) The Laboratory has obtained or will obtain prior to Closing all necessary licenses, permits, authorizations and approvals necessary to construct, equip and operate the Project and to execute and perform its obligations under the Security Documents to which the Laboratory shall be a party, the Company Lease, the Remarketing Agreement, the Standby Bond Purchase Agreement and this Bond Purchase Agreement.

9. (a) The Laboratory agrees to indemnify and hold harmless the Agency, the Underwriter and any member, director, officer, official, agent, or employee of the Agency or the Underwriter (collectively called the "Indemnified Parties") against any and all losses, claims, damages, suits, actions, demands, expenses or liabilities to which they or any of them may become subject under any statute or at common law or otherwise, and will reimburse each of the Indemnified Parties for any legal or other expenses incurred by them or any of them in connection with defending any actions, suits or demands whether or not resulting in any liability, insofar as such losses, claims, damages, suits, demands, expenses, liabilities or actions arise out of or are based on (i) any misrepresentation or breach of any covenant or agreement by the Laboratory contained in this Bond Purchase Agreement, (ii) any untrue statement or alleged untrue statement of a material fact contained in the Official Statement or any omission or alleged omission of any material fact necessary to be stated therein in order to make the statements contained in the Official Statement, in light of the circumstances under which the were made, not misleading or incomplete, or (iii) any failure to register the Bonds, the Guaranty Agreement or any other security under the Securities Act of 1933, as amended, or to qualify the Indenture under the Trust Indenture Act of 1939, as amended. The indemnity agreements contained in this paragraph 9 are in addition to any liability which the Laboratory may otherwise have to any of the Indemnified Parties, shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Agency or the delivery of and the payment for any Bonds hereunder, and shall survive the termination or cancellation of this Bond Purchase

Agreement. If the Laboratory shall not have retained counsel to have charge of the defense of any such action or if any Indemnified Party shall reasonably conclude that there may be defenses available to it that are different from or additional to those available to the Laboratory, such Indemnified Party shall have the right to retain separate counsel in any such action and to participate in the defense thereof, and the fees and expenses of such counsel shall be assumed by the Laboratory. The indemnity agreements contained in this paragraph 9 shall benefit the Indemnified Parties who are not parties directly to this Bond Purchase Agreement as though they were parties to this Bond Purchase Agreement.

(b) In case any action shall be brought against one or more of the Indemnified Parties based upon any of the above and in respect of which indemnity may be sought against the Laboratory, such Indemnified Party shall promptly notify the Laboratory in writing, enclosing a copy of all papers served; such notice shall be given in sufficient time to allow the Laboratory to defend or participate in such action, but the omission so to notify the Laboratory of any such action in sufficient time shall not relieve the Laboratory of any liability which it may have to any Indemnified Party.

(c) In order to provide for just and equitable contribution in circumstances in which the indemnification provided for in Section 9(a) hereof is due in accordance with its terms but, for any reason, is held by a court to be unavailable on grounds of policy or otherwise, the Laboratory, the Agency and the Underwriter will contribute to the total losses, claims, damages and liabilities (including legal or other expenses of investigation or defense) to which the Laboratory, the Agency and the Underwriter may be subject in such proportion so that the Underwriter is responsible for that portion represented by the percentage that the underwriter's discount set forth in Section 2 hereof bears to the principal amount of the Bonds under this Agreement, the Agency is responsible only to the extent of its fee paid to it by the Laboratory, and the Laboratory is responsible for the balance. In no case, however, will the Agency be responsible for an amount in excess of its fee so paid to it, nor will the Underwriter be responsible for any amount in excess of the underwriter's discount applicable to the Bonds purchased by the Underwriter under this Bond Purchase Agreement, and no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act of 1933, as amended) will be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this paragraph, each person who controls the Underwriter within the meaning of the Securities Act of 1933, as amended, shall have the same rights to contribution as the Underwriter, each person who controls the Agency within the meaning of the Securities Act of 1933, as amended, shall have the same rights to contribution as the Agency, and each person who controls the Laboratory within the meaning of the Securities Act of 1933, as amended, will have the same rights to contribution as the Laboratory, subject to the foregoing sentence. Any party entitled to contribution will, promptly after receipt of notice of commencement of any action, suit or proceeding against such party in respect of which a claim for contribution may be made against another party or parties under this paragraph, notify each party from whom contribution may be sought, but the failure to give such notice will not relieve the party from whom contribution may be sought from any obligation it may have to the party entitled to contribution.

10. The Agency's obligation to deliver the Bonds and to accept payment therefor will be conditioned upon the purchase of and payment for the Bonds in accordance herewith on the

Closing Date and upon the delivery to the Agency of the approving opinion of Hawkins, Delafield & Wood, Bond Counsel, upon the receipt by the Agency of a leasehold interest in the Facility, and will be subject to the further condition that all documents, certificates, opinions and other items to be delivered at the Closing pursuant hereto be satisfactory in form and substance to Bond Counsel.

11. The Underwriter's obligations hereunder to purchase and pay for the Bonds will be subject to (i) the performance by the Agency of its obligations to be performed hereunder at or prior to the Closing Date, (ii) the performance by the Laboratory of its obligations hereunder at or prior to the Closing Date, (iii) the continued accuracy in all material respects of the representations and warranties of the Agency and the Laboratory contained herein, in the Remarketing Agreement and in the Security Documents as of the date hereof and as of the Closing Date, and (iv) in the discretion of the Underwriter, the following conditions shall not have occurred:

(a) Litigation threatened or pending in any court (i) seeking to restrain or enjoin the issuance or delivery of the Bonds or the payment, collection or application of the proceeds thereof or rental payments and other moneys and securities pledged or to be pledged under the Indenture, or (ii) in any way questioning or affecting the validity of the Bonds or any provisions of the Indenture, any of the Security Documents or this Bond Purchase Agreement or any proceedings taken by the Agency with respect to the foregoing, or (iii) questioning the Agency's creation, organization or existence or the titles to office of any of its officers, or its power to provide financing for the costs of the Project as referred to in the Indenture and the Lease Agreement, or (iv) questioning the power of the Laboratory to enter into and perform as applicable any of the Security Documents or this Bond Purchase Agreement;

(b) The occurrence of any of the following events between the date hereof and the Closing Date:

(1) Legislation has been enacted by the Congress or recommended to the Congress for passage by the President of the United States, or favorably reported for passage to either House of the Congress by any Committee of such House to which such legislation has been referred for consideration, or

(2) A decision has been rendered by a Court of the United States, or the United States Tax Court, or

(3) An order, ruling or official statement has been made or regulation has been proposed or made by the Treasury Department of the United States, the Internal Revenue Service or the Securities and Exchange Commission, with the purpose or effect, directly or indirectly, of imposing Federal income taxation upon revenues or other income of the general character to be derived by the Agency or any similar body or on interest received on the Bonds or on obligations of the general character of the Bonds;

(c) The market value of the Bonds has, in the opinion of the Underwriter, been materially adversely affected by reason of the fact that between the date hereof and the Closing Date any legislation, ordinance, rule or regulation has been introduced in or enacted by any governmental body, department or agency in the State of New York, or a decision has been rendered by any court of competent jurisdiction within the State of New York;

(d) A stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission has been issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Bonds, or the Bonds, as contemplated hereby or by the Official Statement, is in violation or would be in violation unless registered or otherwise qualified, of any provisions of the Securities Act of 1933, as amended and as then in effect, or of the Securities Exchange Act of 1934, as amended and as then in effect, or of the Trust Indenture Act of 1939, as amended and as then in effect;

(e) Legislation has been introduced in or enacted by the House of Representatives or the Senate or the Congress of the United States of America, or a decision by a court of the United States of America has been rendered, or a ruling, regulation or official statement by or on behalf of the Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter has been made or proposed to the effect that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration, qualification or other requirements of the Securities Act of 1933, as amended and as then in effect, or of the Securities Exchange Act of 1934, as amended and as then in effect, or of the Trust Indenture Act of 1939, as amended and as then in effect;

(f) An event has occurred, which makes untrue, incorrect or inaccurate, in any material respect, any statement or information contained in the Official Statement (including the Appendices thereto), or the financial statements contained or referred to therein, or which is not reflected in the Official Statement or such financial statements but should be reflected therein for the purpose for which the Official Statement or such financial statements are to be used in order to make the statements and information contained therein not misleading in any material respect;

(g) In the judgment of the Underwriter, the market price of the Bonds, or the market price generally of obligations of the general character of the Bonds, have been adversely affected because: (i) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange; (ii) the New York Stock Exchange or other national securities exchange, or any governmental authority, shall impose, as to the Bonds or similar obligations, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, underwriters; (iii) a general banking moratorium shall have been established by Federal, New York State or New York City authorities; (iv) a war involving the United States of America shall have been declared, or any other national or international calamity or crisis shall have occurred, or any conflict involving the armed forces of the United States of America shall have escalated to such a magnitude as to materially adversely affect the Underwriter's ability to market the Bonds or enforce contracts for the sale of the Bonds; or (vi) a fire, flood, accident or other calamity resulting in a substantial loss to the Laboratory shall have occurred which renders it impracticable, in the judgment of the Underwriter, to consummate the sale of the Bonds and the delivery of the Bonds by the Underwriter;

(h) All matters relating to this Bond Purchase Agreement, the Bonds and the sale thereof, the Indenture, the other Security Documents and the consummation of the transactions contemplated by this Bond Purchase Agreement must be approved by the Underwriter and its counsel (such approval not to be unreasonably withheld); and

(i) At or prior to the Closing Date, the Underwriter must have received the following documents:

(1) The legal opinions of the following, dated the Closing Date:

(A) Curtis, Mallet-Prevost, Colt and Mosle, counsel to the Laboratory, substantially in the form attached hereto as Exhibit A;

(B) Stadtmauer Bailkin LLP, counsel to the Trustee, in the form attached hereto as Exhibit B;

(C) Orrick, Herrington & Sutcliffe LLP, counsel to the Underwriter, in form and substance satisfactory to the Underwriter;

(D) Hawkins, Delafield & Wood, Bond Counsel, approving the validity of the Bonds, in the form attached to the Official Statement as Appendix B;

(E) Hawkins, Delafield & Wood, Bond Counsel, concerning certain supplemental matters, in the form attached hereto as Exhibit C; and

(F) Orrick, Herrington & Sutcliffe LLP, counsel to the Liquidity Provider, in form and substance satisfactory to the Underwriter.

The respective forms of such opinions are subject, in each case, only to such changes therein as Bond Counsel and counsel to the Underwriter approve.

(2) A certificate, satisfactory in form and substance to the Underwriter, of the Chairman of the Agency, or of other appropriate officials of the Agency satisfactory to the Underwriter, on behalf of the Agency, dated the Closing Date, to the effect that (i) on and as of the Closing Date, each of the representations and warranties of the Agency set forth in Section 6 hereof is true, accurate and complete and all agreements of the Agency herein provided and contemplated to be performed on or prior to the Closing Date have been so performed; (ii) the executed copies of each of the Security Documents to which the Agency shall be a party and the certified copies of the Resolution authorizing the Bonds are true, correct and complete copies of such documents and have not been modified, amended or rescinded as of the Closing Date; (iii) the Bonds have been duly authorized, executed and delivered by the Agency, and have been duly authenticated by the Trustee, and constitute the valid and legally binding special obligations of the Agency, are enforceable in accordance with their terms and the terms of the Indenture and are entitled to the security of and are secured by the Indenture; (iv) this Bond Purchase Agreement, the Indenture and each of the other Security Documents to which the Agency shall be a party, and any and all other agreements and

documents required to be executed and delivered by the Agency in order to carry out, give effect to and consummate the transactions contemplated hereby, by the Official Statement and by the Indenture have each been duly authorized, executed and delivered by the Agency and as of the Closing Date each is in full force and effect and each constitutes the valid, binding and enforceable obligation of the Agency and the Agency is entitled to the benefits of the same, and all right, title and interest inuring to the Agency under the Lease Agreement (except as set forth in the Indenture) have been duly pledged, and the rental payments under the Lease Agreement assigned, to the Trustee under the Indenture for the benefit of any holders of the Bonds; (v) no litigation is pending or threatened, of which the Agency has notice, to restrain or enjoin the issuance or sale of the Bonds or in any way contesting the validity or affecting the authority for the issuance of the Bonds or the making and entering into of the Indenture, the Company Lease, the Lease Agreement, this Bond Purchase Agreement or each other of the Security Documents to which the Agency shall be a party, or the existence of powers of the Agency or the right of the Agency to finance or refinance the construction, renovation or equipping of the Project or own, sell, mortgage, assign or lease its interest in the Facility; (vi) to the best knowledge of the Agency no legislation, ordinance, rule or regulation shall have been enacted or introduced or favorably reported for passage by a governmental body, department or agency of the State of New York or Nassau County or a decision by any court of competent jurisdiction of such State or County rendered which would adversely affect the exemption from all taxation, except for transfer and estate taxes in the State of New York, of the Agency or of any similar body and all properties owned by it or by such a similar body; and (vii) to the best knowledge of such officer, no event affecting the Agency has occurred since the date of the Official Statement which should be disclosed in the Official Statement, as then supplemented or amended, for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information under the captions "The Agency" therein, in the light of the circumstances under which they were made, not misleading in any respect;

(3) A certificate, satisfactory in form and substance to the Underwriter, of one or more duly authorized officers of the Trustee, dated the Closing Date, as to the due acceptance of the Indenture by the Trustee and the due authentication and delivery of the Bonds by the Trustee thereunder;

(4) Certificates or policies evidencing the insurance required to be obtained pursuant to the Lease Agreement and the applicable Security Documents;

(5) A certificate of the Authorized Representative of the Laboratory satisfactory in form and substance to the Underwriter and its counsel, the Agency and Bond Counsel;

(6) A letter from KPMG LLP, independent certified public accountants, substantially in the form attached hereto as Exhibit D, dated the date hereof, with respect to the Official Statement, and a consent from KPMG LLP to the inclusion of their report dated April 24, 1998 in the Official Statement;

(7) A certificate of an authorized officer of the Liquidity Provider with respect to the information concerning the Liquidity Provider in Appendix C to the Official Statement;

(8) Two executed counterparts of the Security Documents, the DTC Letter, the Standby Bond Purchase Agreement, and the Remarketing Agreement executed by the parties thereto;

(9) Two copies of the ruling to the effect the Laboratory is an organization described in Section 501(c)(3) of the Code;

(10) Two copies of the charter and the by-laws of the Laboratory, as amended, and of the resolutions of the Executive Committee of the Board of Trustees of the Laboratory authorizing and approving the execution and delivery of the Official Statement, this Bond Purchase Agreement, the Remarketing Agreement and the incurrence of indebtedness with respect thereto and all transactions contemplated thereby, all certified by its Secretary or Assistant Secretary;

(11) Two certified copies of the resolutions of the Agency authorizing and approving the execution, sale and delivery of the Bonds and the execution and delivery of the Bonds, the Lease Agreement, the Indenture, this Bond Purchase Agreement and the Official Statement;

(12) Letter of Standard & Poor's Ratings Group ("S&P") stating that S&P has issued ratings on the Bonds of "A+/A-1+"; and

(13) Such additional certificates, instruments or other documents as the Agency or the Underwriter may reasonably require to evidence the accuracy, as of the Closing Date, of the representations and warranties herein contained, and the due performance and satisfaction by the Agency and the Laboratory at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by any one or all of them in connection with this Bond Purchase Agreement or the Security Documents.

If the Agency or the Laboratory shall fail or be unable to satisfy the conditions of their obligations contained in this Bond Purchase Agreement, or if the Underwriter's obligations hereunder shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate and neither the Agency nor the Underwriter nor, except as provided in paragraphs 4, 9 and 13, the Laboratory shall be under any further obligation hereunder.

Simultaneously with or before delivery of the Bonds, the Underwriter shall furnish to the Agency a certificate substantially in the form of Exhibit A to the Tax Regulatory Agreement.

12. The Agency and the Laboratory agree that all representations, warranties and covenants made by them herein, and in certificates or other instruments delivered pursuant hereto or in connection herewith, shall be deemed to have been relied upon by the Underwriter notwithstanding any investigation heretofore or hereafter made by the Underwriter on its behalf, and that all representations, warranties and covenants made by the Agency and the Laboratory

herein and therein and all of the Underwriter's rights hereunder and thereunder shall survive the delivery of the Bonds.

13. Except as set forth below, all expenses in connection with the preparation, issuance, delivery, recording and (if and where needed) filing of the Indenture and the other Security Documents and any financing statement or notice with respect thereto, and in connection with the preparation, issuance and delivery of the Bonds, including but not limited to, printing the Official Statement, the Bonds, the fees and expenses of the Agency, Hawkins, Delafield & Wood, Bond Counsel, and general counsel to the Agency, fees and expenses of the Underwriter's counsel including but not limited to, the costs of preparation of any blue sky memorandum and of any filing fees in connection therewith shall be paid out of the funds of the Laboratory. The foregoing undertakings shall survive the delivery of the Bonds and (insofar as applicable) shall be effective whether or not any transaction hereby contemplated is consummated.

14. All communications hereunder shall be in writing and, unless otherwise directed in writing, shall be addressed as follows: if to the Agency at 1550 Franklin Avenue, Mineola, New York 11501, Attention: Executive Director; if to the Laboratory at 1 Bungtown Road, Cold Spring Harbor, New York, Attention William D. Keen, Comptroller; and if to the Underwriter at 60 Wall Street, 32nd Floor, New York, New York 10260, Attention: Municipal Finance Department.

15. This Bond Purchase Agreement shall be construed and enforceable in accordance with the laws of the State of New York.

16. This Bond Purchase Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Underwriter, the Agency and the Laboratory.

17. The Agency's obligations hereunder are subject to the performance of the obligations of the Laboratory and the Underwriter, and the further condition that at the Closing Date the Agency and the Underwriter shall receive the opinions of counsel required to be delivered hereby.

18. The Laboratory's obligations hereunder are subject to the performance of the obligations of the Agency and the Underwriter, and the further condition that at the Closing Date the Laboratory and the Underwriter shall receive the opinions of counsel required to be delivered hereby.

19. This Bond Purchase Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof, other than the Company Lease or any Security Documents or other documents delivered hereunder. This Bond Purchase Agreement may not be amended, changed or modified except by a written instrument executed and delivered by the parties hereto.

This Bond Purchase Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Bond Purchase Agreement to be duly executed as of the day and year first above written.

Accepted:

NASSAU COUNTY INDUSTRIAL DEVELOPMENT AGENCY

By: David G. Salten

Name: David G. Salten

Title: Chairman

J.P. MORGAN SECURITIES INC.

By: Diana L. Hoadley

Name: Diana L. Hoadley

Title: Vice President

COLD SPRING HARBOR LABORATORY

By: G. Morgan Browne

Name: G. Morgan Browne

Title: Administrative Director

EXHIBIT A

[FORM OF OPINION BY COUNSEL TO THE LABORATORY]

EXHIBIT B

[FORM OF OPINION BY COUNSEL TO THE TRUSTEE]

[Form of Trustee Counsel Opinion]

April 1, 1999

Nassau County Industrial
Development Agency
1550 Franklin Avenue
Mineola, New York 11501

United States Trust Company
of New York, as Trustee
114 West 47th Street
New York, New York 10036

Hawkins Delafield & Wood
67 Wall Street
New York, New York 10005

J.P. Morgan & Co.
60 Wall Street
New York, New York 10260

Cold Spring Harbor Laboratory
1 Bungtown Road
Cold Spring Harbor, New York 11724

Re: $42,200,000 Nassau County Industrial Development Agency Civic Facility Refunding and Improvement Revenue Bonds (1999 Cold Spring Harbor Laboratory Project)

Ladies and Gentlemen:

We have acted as counsel to United States Trust Company of New York, as Trustee (the "Trustee") in connection with its appointment by the New York City Industrial Development Agency (the "Agency") as Trustee, Tender Agent, Bond Registrar and Paying Agent pursuant to the Indenture of Trust by and between the Trustee and the Agency dated as April 1, 1999 (the "Indenture"), with respect to the Agency's $42,200,000 Nassau County Industrial Development Agency Civic Facility Refunding and Improvement Revenue Bonds (1999 Cold Spring Harbor Laboratory Project)(the "Bonds").

We have examined the Indenture, the Lease Agreement (the "Lease Agreement") dated as of April 1, 1999, between the Agency, as lessor and Lighthouse International, a New York not-for-profit corporation (the "Lessee"), as Lessee, the Guaranty Agreement dated as of April 1, 1999 by the Lessee (the "Guarantor") accepted by the Trustee (the "Guaranty Agreement"), the Tax Regulatory Agreement dated as of April _____, 1999 from the Agency and the Lessee to the Trustee (the "Tax Regulatory Agreement"), and the Continuing Disclosure Agreement dated as of April ______, 1999 by and between the Lessee and the Trustee (the "Continuing Disclosure Agreement") and such other instruments and records as we have determined to be necessary in connection with rendering the opinions set forth herein. In such examination, we have assumed the genuineness of all signatures on documents submitted to us, and the conformity to originals of all documents submitted to us as conformed copies or photocopies. We have also assumed that the Indenture, the Lease Agreement, the Tax Regulatory Agreement, the Continuing Disclosure Agreement and the Guaranty Agreement have been duly authorized, executed and delivered by the Agency and the Lessee, as applicable, and that all necessary corporate action on the part of the Agency and the Lessee in connection with the execution and delivery of all other Security Documents (as that term is defined in the Indenture) has been taken. As to facts material to our opinion, we have relied upon certificates of public officials and certificates, oaths and declarations of officers and other representatives of the Trustee.

Subject to the qualifications set forth in this letter, we are of the opinion that:

1. The Trustee is a bank and trust company duly incorporated and validly existing under the law of the State of New York.

2. The Trustee has the corporate power to accept the offices of Trustee, Tender Agent, Bond Registrar and Paying Agent for the aforesaid Bonds under the Indenture and to discharge and perform all duties and obligations imposed upon it as Trustee, Tender Agent, Bond Registrar and Paying Agent under the Indenture, the Guaranty Agreement, the Tax Regulatory Agreement and the Lease Agreement.

3. The Trustee has taken all action necessary for the acceptance of, and has duly accepted the offices of, Trustee, Tender Agent, Bond Registrar and Paying Agent, respectively, under the aforesaid Indenture.

4. The Indenture, the Guaranty Agreement, the Tax Regulatory Agreement and the Continuing Disclosure Agreement have each been duly authorized, executed and delivered by the Trustee, and each constitutes the valid and binding obligation of the Trustee, enforceable against it in accordance with its terms, except as such

enforceability may be limited by equitable principles and by bankruptcy, moratorium, insolvency or other laws affecting creditors' rights generally.

We are members of the New York bar. We do not express any opinion concerning any law other than the law of the State of New York and the federal law of the United States.

This letter is intended solely for your benefit, that of Hawkins, Delafield & Wood and the counsel to any of the parties to whom this opinion is addressed. Without our express written consent, this opinion may not be relied upon, referred to or otherwise used by any other person.

Very truly yours,

STADTMAUER BAILKIN LLP

By:______________________________
Steven P. Polivy

EXHIBIT C

[FORM OF OPINION BY BOND COUNSEL]

EXHIBIT C

FORM OF BOND COUNSEL OPINION

Upon the delivery of the Series 1999 Bonds, Bond Counsel to the Agency proposes to issue its approving opinion in substantially the following form:

[Closing Date]

Nassau County Industrial
Development Agency
Mineola, New York

Ladies and Gentlemen:

We have examined a record of proceedings relating to the issuance of Civic Facility Refunding and Improvement Revenue Bonds (1999 Cold Spring Harbor Laboratory) (the "Series 1999 Bonds") in the aggregate principal amount of $42,200,000 of the Nassau County Industrial Development Agency, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation organized and existing under the laws of the State of New York (the "Agency").

The Series 1999Bonds are authorized to be issued under and pursuant to (i) the New York State Industrial Development Agency Act (constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of the State of New York), as amended, and Chapter 674 of the 1975 Laws of New York, as amended (collectively, the "Act"), (ii) an Indenture of Trust, dated as of April 1, 1999 (the "Indenture"), between the Agency and United States Trust Company of New York, as trustee (the "Trustee"), and (iii) a resolution of the Agency adopted on March 11, 1999 authorizing the Series 1999 Bonds.

The Series 1999 Bonds are dated the date hereof (except as otherwise provided in the Indenture), are issuable as fully registered bonds in the denomination (i) during the Daily Interest Rate Period, of $100,000 or any integral multiple of $5,000 in excess thereof, and (ii) during the Fixed Interest Rate Period, of $5,000 or any integral multiple thereof, mature on January 1, 2034, and bear interest initially at the Daily Rate, subject to Conversion to a Fixed Rate (as each such capitalized term is defined in the Indenture) at the option of the Lessee referred to below, payable on the related interest payment dates as provided in the Indenture until the payment in full of the principal amount of the Series 1999 Bonds.

The Series 1999 Bonds are subject to redemption prior to maturity and to mandatory tenders for purchase, all in the manner and upon the terms and conditions set forth in the Indenture.

The Series 1999 Bonds are being issued for the purpose of financing and refinancing a portion of the cost of the acquisition, construction, renovation, furnishing and equipping of a civic facility (the "Project"), for use in biological research, education and publication, for Cold Spring Harbor Laboratory, a not-for-profit corporation organized and existing under the laws of the State of New York (the "Lessee").

The Lessee has leased certain real and tangible personal property associated with the Project (the "Facility") to the Agency pursuant to a Company Lease Agreement (the "Company Lease Agreement"), from the Lessee to the Agency. The Agency and the Lessee have entered into a Lease Agreement, dated as of April 1, 1999 (the "Lease Agreement"), providing, among other things, for the construction, renovation and equipping of the Project, the subleasing of the Facility by the Agency to the Lessee, and the issuance by the Agency of its Series 1999 Bonds to finance a portion of the costs of the Project. Under the Lease Agreement, the Lessee is obligated to make rental payments in amounts sufficient to pay the principal or redemption price, if any, and Purchase Price of and interest on the Series 1999 Bonds. In addition, the payment of the principal, redemption premium, if any, and Purchase Price of and interest on the Series 1999 Bonds has been guaranteed by the Lessee pursuant to a Guaranty Agreement, dated as of April 1, 1999, from the Lessee to the Trustee (the "Guaranty Agreement").

The Lessee has entered into a Standby Bond Purchase Agreement (the "Initial Liquidity Facility") dated as of April 1, 1999, with Morgan Guaranty Trust Company of New York (the "Initial Liquidity Provider") pursuant to which the Initial Liquidity Provider agrees to pay the Purchase Price of the Series 1999 Bonds under the circumstances and subject to the conditions provided for therein and in the Indenture. The Initial Liquidity Facility may be replaced or terminated as provided therein and in the Indenture.

It is provided in the Indenture that, upon obtaining the prior consent of the Lessee, the Agency may issue additional bonds from time to time on the terms and conditions and for the purposes stated in the Indenture and said additional bonds, if issued, will be equally and ratably secured under the Indenture with the Series 1999 Bonds.

The Internal Revenue Code of 1986, as amended (the "Code"), establishes certain requirements that must be met subsequent to the issuance and delivery of the

Series 1999 Bonds in order that interest on the Series 1999 Bonds be and remain not included in gross income for Federal income tax purposes pursuant to Section 103 of the Code. We have examined the Tax Regulatory Agreement, dated the date hereof, among the Lessee, the Agency and the Trustee (the "Tax Regulatory Agreement"), in which the Lessee has made representations, warranties and covenants with respect to such non-inclusion in gross income. The Tax Regulatory Agreement obligates the Lessee to do and perform all acts and things necessary or desirable to assure that interest on the Series 1999 Bonds is not included in gross income pursuant to Section 103 of the Code. Non-compliance may cause interest on the Series 1999 Bonds to become subject to Federal income taxes retroactive to their date of issue, irrespective of the date on which such non-compliance is ascertained. Compliance with certain of such requirements may necessitate that persons not within the control of the Agency or the Lessee take or refrain from taking certain actions.

In rendering the opinion in paragraph 6 below, we have relied upon and assumed (i) the material accuracy of the representations, statements of intention and reasonable expectations, and certifications of fact contained in the Lease Agreement, the Tax Regulatory Agreement and an Agency Tax Certification, each delivered on the date hereof with respect to matters affecting the non-inclusion of interest on the Series 1999 Bonds, and (ii) compliance by the Lessee with the procedures and covenants set forth in the Tax Regulatory Agreement as to such matters.

We are of the opinion that:

1. The Agency is duly created and validly existing under the Act, and has good right and lawful authority to construct, renovate and equip the Project and lease the Facility to the Lessee and collect revenues and rental income therefrom, all in accordance with the terms of the Lease Agreement and as provided in the Indenture.

2. The Agency has the right and power pursuant to the Act to enter into the Indenture, and the Indenture has been duly authorized, executed and delivered by the Agency, is in full force and effect, and constitutes a valid and binding agreement of the Agency enforceable against the Agency in accordance with its terms.

3. The Agency has the right and power pursuant to the Act to enter into the Company Lease Agreement, and the Company Lease Agreement has been duly authorized, executed and delivered by the Agency, is in full force and effect, and constitutes a valid and binding agreement of the Agency enforceable against the Agency in accordance with its terms.

4. The Agency has the right and power pursuant to the Act to enter into the Lease Agreement, and the Lease Agreement has been duly authorized, executed and delivered

by the Agency, is in full force and effect, and constitutes a valid and binding agreement of the Agency enforceable against the Agency in accordance with its terms.

5. The Series 1999 Bonds have been duly authorized and issued by the Agency in accordance with law and in accordance with the Indenture and are the valid and binding special obligations of the Agency, payable by the Agency solely from the lease rentals, revenues and receipts derived from the Lease Agreement and pledged under the Indenture. The payment of the principal, redemption price, if any, and Purchase Price of and interest on the Series 1999 Bonds has been guaranteed by the Lessee pursuant to the Guaranty Agreement. The Series 1999 Bonds are enforceable in accordance with their terms and the terms of the Indenture and are entitled to the benefit of the Act and the Indenture. All conditions precedent to the delivery of the Series 1999 Bonds have been fulfilled.

6. Under existing statutes and court decisions, interest on the Series 1999 Bonds is not included in gross income for Federal income tax purposes pursuant to Section 103 of the Code. No opinion is expressed as to such non-inclusion from gross income of interest on any Series 1998 Bond subsequent to the Conversion of the interest on the Series 1999 Bonds from the Daily Rate to a Fixed Rate. We call your attention to the fact that the conversion of the interest rate on the Series 1999 Bonds to a Fixed Rate as referred to above is conditioned in the Indenture upon the receipt of an opinion of Nationally Recognized Bond Counsel experienced in matters relating to tax exemption of interest on bonds issued by states and their political subdivisions to the effect that such conversion would not adversely affect the non-includability for Federal income tax purposes of the interest on the Series 1999 Bonds. In addition, such interest will not be treated as a preference item to be included in calculating alternative minimum taxable income for purposes of the alternative minimum tax imposed with respect to individuals and corporations. Under the Code, however, such interest is included in the adjusted current earnings of certain corporations for purposes of computing the alternative minimum tax that may be imposed with respect to such corporations. No opinion is expressed as to the exclusion from gross income of interest on any of the Series 1999 Bonds subsequent to any date on which action is taken or omitted to be taken pursuant to the Indenture, the Tax Regulatory Agreement or the Lease Agreement for which action or omission any such document requires the advice or an opinion of counsel to the effect that taking such action or omitting to take such action will not adversely affect the exclusion, should we not deliver an opinion as of such date to such effect.

7. The interest on the Series 1999 Bonds is exempt from personal income taxes imposed by the State of New York or any political subdivision thereof (including The City of New York), and the Series 1999 Bonds are exempt from all taxation directly imposed thereon by or under authority of said State, except for estate or gift taxes and taxes on transfers.

The foregoing opinion is qualified only to the extent that the enforceability of the Series 1999 Bonds, the Indenture, the Guaranty Agreement, the Tax Regulatory Agreement, the Initial Liquidity Facility, the Company Lease Agreement and the Lease Agreement may be limited by bankruptcy, moratorium or insolvency or other laws affecting creditors' rights generally and is subject to general rules of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity).

We express no opinion with respect to the due authorization, execution or delivery of the Initial Liquidity Facility or the validity or enforceability thereof.

In rendering this opinion, we have relied as to matters of the Agency's interest in the Facility realty on a leasehold title insurance policy issued by ______________________________ ______________________________ insuring the leasehold interest of the Agency in the real property constituting a part of the Facility, and the opinion of Curtis, Mallet-Prevost, Colt and Mosle, counsel to the Lessee, dated the date hereof.

In rendering this opinion with respect to the due recording of a memorandum of the Company Lease Agreement, a memorandum of the Lease Agreement and the Indenture, and the due filing and sufficiency of financing statements under the New York State Uniform Commercial Code, we have relied on the opinion of Curtis, Mallet-Prevost, Colt and Mosle, counsel to the Lessee, dated the date hereof.

In rendering this opinion with respect to the due authorization, execution and delivery of the Indenture, the Tax Regulatory Agreement and the Guaranty Agreement by the Trustee, we have relied upon the opinion of Stadtmauer Bailkin LLP, counsel to the Trustee, dated the date hereof.

In rendering this opinion with respect to the due authorization, execution, delivery, validity and enforceability of the Company Lease Agreement, the Lease Agreement, the Tax Regulatory Agreement and the Guaranty Agreement by the Lessee, we have relied upon the opinion of Curtis, Mallet-Prevost, Colt and Mosle, counsel to the Lessee, dated the date hereof.

Attention is called to the fact that we have not been requested to examine and have not examined any documents or information relating to the Lessee or the Liquidity Provider other than the record of proceedings hereinabove referred to, and no opinion is expressed as to any financial or other information, or the adequacy thereof, which has been or may be supplied to any purchaser of the Series 1999 Bonds.

We have examined the Series 1999 Bond in fully registered form numbered R-1, and, in our opinion, the form of said Bond and its execution are regular and proper.

Very truly yours,

EXHIBIT D

[FORM OF AUDITOR'S LETTER]

[See Item 47 of Transcript]